



Scheduled Report - public distribution

Date: 11/12/1999

GAIN Report #PL9039

## **Poland**

# **Retail Food Sector Report**

## **1999**

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### **Report Highlights:**

Rising incomes and the rapid influx of foreign hypermarkets in urban areas has sharply changed the retail landscape for food products in Poland. Convenience and health foods are hot items in the new retail scene.

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Includes PSD changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Warsaw [PL1], PL

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## **I. MARKET SUMMARY**

### **General Information**

Compared to western Europe, the Polish retail chain is still very much dispersed, and according to the opinion of EUROSTAT experts, the development of its structure is at the stage of west European retail trade in the sixties.

Dynamic changes in the domestic market, resulting in increasing competition in both production and trade sectors, have taken place during recent years. Companies trading in food products are undergoing particularly strong pressure, as this segment of the market has become an area of intensive penetration by foreign competitors.

Due to the lack of capital, weak financial situation and low profitability, Polish companies have lost the battle for the access to the food retail market. This may prevent them from using their own capital in order to modernize their future operations, which may lead to the mass liquidation of their businesses. This is why foreign companies are expected to play a particular strong role in trade development during the coming years.

Continuous economic growth, which started in 1991, has resulted in considerable improvement in the labor market, the domestic area financial situation, and in increased income of the population. Every year the real consumption value, covered by personal income in the domestic sector, increases.

According to the Ministry of Finance in the oncoming period of five years, the Polish economy will continue to develop at a similar rate as in recent years. This will create macro-economic conditions for a further increase in the income of the population. According to the State budget for 1999, the real increase in households income is expected to reach 3.4%, while the increase in trade turnover is estimated at 11.8%.

### **Description of the retail trade**

Ninety-one per cent of Polish shops are small outlets with an operating area of less than 50 sq.m. The fact that 98% of traders have no more than two shops also shows the dispersed structure of the trade. Organizations owning more than 20 shops form only 0.1% of the total number of companies operating in this sector.

The number of shops in 1995-1997 is shown in Table 1.

**Table 1.      *Points of retail trade<sup>1)</sup> and gas stations in Poland in 1995-1998***

Item	1995	1996	1997	1998
<b>Shops</b>	<b>425,600</b>	<b>405,563</b>	<b>424,362</b>	<b>451,785</b>
Including:				
Shops with an area over 400 sq.m	2,231	2,560	2,858	3,098
Food stores	126,752	137,338	140,811	147,207
Fruit and vegetable shops	6,950	6,315	6,470	6,935
Meat shops	15,600	14,041	14,315	15,056
Fish shops	1,408	1,400	1,508	1,619
Confectionery shops	4,34	3,198	3,520	3,773
Alcoholic beverage shops	5,311	2,991	2,830	2,731
Gas stations	5,344	6,018	6,548	7,253
Number of people per one shop	91	95	91	86

<sup>1)</sup> The statistical data covers: shops, open market stores, stores, market stalls, and movable points of sale.

Source: Statistical Yearbook, 1998

Polish trade was privatized a few years ago. In 1997 shops belonging to the public sector formed only 1% of the total number of local outlets.

The total turnover of this sector is shown in the Table 2.

**Table 2. Retail sales (current prices) in m. US\$ calculated at average annual exchange rate.**

Years	Food products	Alcohol
1994	18.827	5.970
1995	23.083	7.205
1996	25.227	7.908
1997	24.629	7.318
1998	26.719	7.646

Source: Statistical Yearbook, 1998

The structure of the retail trade is shown in the Table 3.

**Table 3. Structure of retail sales in Poland in 1995-1997 in % (current prices)**

Description	1995	1996	1997
TOTAL	100	100	100
Fruits and vegetables	2.2	1.9	1.8
Meat and processed meats	6.9	6.0	5.9
Fish and fish products	1.3	1.2	0.9
Alcoholic beverages	8.1	8.0	7.9
Non-alcoholic beverages	2.2	2.0	1.4
Milk, cheese, eggs	2.6	2.6	2.6
Bread and processed cereals	3.7	3.5	2.6
Sugar and confectionery	6.5	5.9	6.0
Coffee, tea, cocoa	1.9	1.7	1.9
Other food products	8.0	9.1	9.6
Non-food products	56.6	58.1	59.4

Source: Statistical Yearbook, 1998

The number of all shops remains at the same level, but numbers of different types of shop have been changed during the recent past.

From 1996 to 1998 the number of all food outlets decreased by 14%, of detergent-cosmetic shops by 6%, and of catering points, kiosks, and convenience shops by 5%. At the same time the number of non-food shops increased.

Food shops still form the most numerous group (31% of all shops). Food service outlets form 12%, kiosks 8%, and convenience shops 2%. Remaining shops (garments, stationary, book-shops, etc) form 47% of all retail selling points. The number of food shops systematically decreases every year. In 1998 the number dropped by 24% compared to 1994 (from 159,000 to 121,000). This process mainly affected small food shops (below 40 sq.m.) and specialized shops (meat, vegetable, confectionery, etc.). In both these categories the number of outlets decreased by 15% compared to 1996. During the last two years, a noticeable decrease in outlets (11%) also affected medium and large food shops (with selling space between 40 and 300 sq.m.)

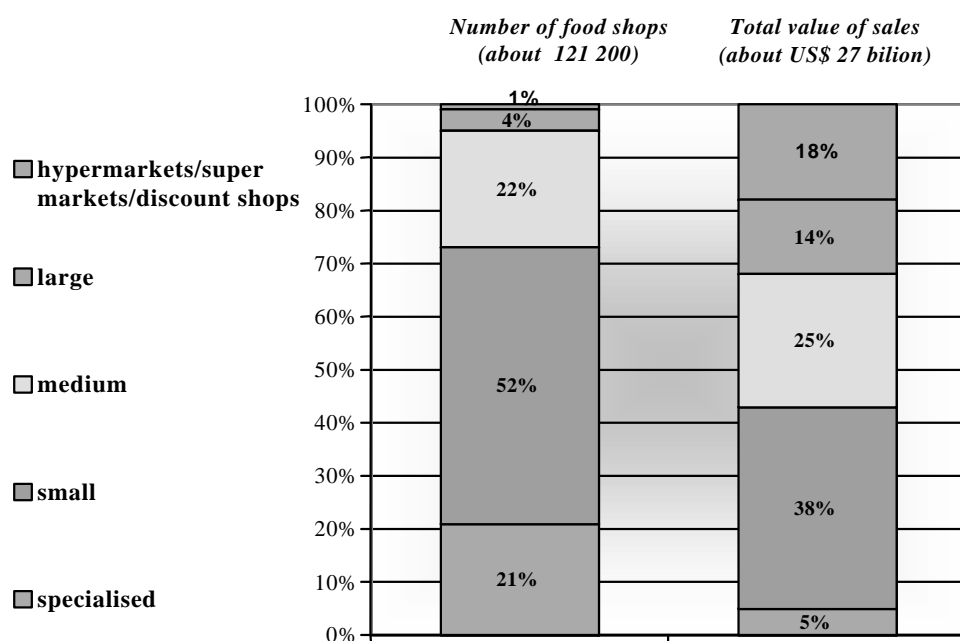
At the same time a dynamic development of large self-service shops (supermarkets and discount shops with an area of between 300 and 2,500 sq.m, and hypermarkets with an area of over 2,500 sq.m.) is taking place. In 1998 about 100 supermarkets and discount shops were opened, which means a 7% growth compared to 1995, and a 12% growth compared to 1996.

The structure of food shops has not changed much compared to previous years. Despite the decrease in the number of outlets, small and specialized shops still dominate Polish trade. Small

food shops form 53% of all food outlets (50% a year earlier), medium and large shops form 25% (24% a year before), and specialized shops 21% (25%). For two years, shops with a large selling space (over 300 sq.m.) have constituted only 1% of the total number of food shops.

***Structure of shops in 1998 and changes occurred in 1996-1998.***

The continuous concentration in the Polish food trade results in a decreasing number of shops and in an increased share by large organizations in the total turnover. The share of the largest shops in the total turnover of food products increased from 13% in 1997 to 18% in 1998. Other types of shops decreased their market share. Large food shops' share dropped from 15% to 14%, medium food shops reduced their share from 27% to 25%, small outlets from 39% to 38%, and specialized shops from 6% to 5%.



***Figure 1.***  
***Structure of***  
***food shops by***

***share in total value of sales***

Twenty six per cent of shops, i.e. supermarkets, hypermarkets, and other large outlets accounted for 57% of the turnover of food products, while small shops, which form 52% of all outlets, achieve 38% of the turnover.

Open markets still play a significant role in Polish retail trade. In 1997 there were 2,412 permanent markets and 129,000 points of sale (30% of all shops) registered and operating. This means that a considerable part of the domestic turnover is achieved by outlets selling in

markets. The structure of markets in terms of the scope of activities has not changed for many years. Over 85% of the markets carry out retail activities, the remainder dealing with wholesale trade. The majority of goods sold in the markets is supplied by local producers. In central Poland 40% of shops belong to the producers. In the western part of the country this share is definitely lower.

An opportunity to shop in hypermarkets appeared in Poland five years ago. Today this is a normal way of shopping for most of the population living in big towns. During the recent years the hypermarkets have been undergoing very dynamic development. At first, 27 hypermarkets were opened in 1993-1996. These were individual outlets with an average area of 2,500 to 5,000 sq.m. During the period 1997-98, 30 new hypermarkets were opened. It became a rule that they were a part of a shopping center with small boutiques, restaurants, and other outlets. The average selling space of a hypermarket ranged between 6,000 and 14,000 sq.m, with the area of the neighboring outlets amounting to 2,000 – 8,000 sq.m. It is expected that 83 hypermarkets will be opened by the end of 2002. The average selling space of hypermarkets will increase to 8,000 – 18,000sq.m., and the area of the shopping centers, where supermarkets will be located, will reach 10,000 – 35,000 sq.m.

Hypermarkets show the highest dynamics of growth. At the end of 1998, their total number amounted to 57 outlets, which means a 36% increase compared to 1997, and a 90% increase compared to 1996.

### **Expected changes in the retail trade**

It is expected that the next five years will show very dynamic changes in retail trade, which will lead to essential structural changes.

The following changes are expected in the retail trade:

- increased importance of large-area trade outlets in the structure and in turnover of the retail trade,
- increased importance of companies owning chains of shops,
- decreased number of small retail outlets
- integration process among small and medium companies.

It is expected that the dynamics of development of hypermarkets and discount shops will be higher than that of other shops. In five years time Hyper and supermarket chains will become the leaders in the retail trade in food products. Given the limited investment possibilities for the local companies, a rapid growth in market share by foreign companies seems to be obvious.

### **Import conditions**

In 1998, food retail products imported from the USA were estimated to constitute 4.3% of the total imported food products.

**Table 4. Import of some food products in 1998**

<i>Description</i>	<b>Total import to Poland</b>		<b>Import from the USA</b>		<b>Share of US import in total import</b>		<b>Main Competitors</b>
	Weight, '000 tons	Value in million US\$	Weight, '000 tons	Value in million US\$	Weight %	Value %	
<b>TOTAL</b>		<b>3 866.0</b>		<b>164.5</b>		<b>4.3</b>	
Including:							
Red meat and poultry meat	111.8	143.2	41.3	29.5	36.4	20.6	EU
Fish and seafood	-	327.4	-	1.3	-	0.4	Sweden Denmark
Dairy products	-	77.7	-	0.09	-	0.1	Germany, Holland, France
Rice	87.2	30.2	2.4	1.4	2.7	4.6	India, Far East
Processed vegetables	20.7	18.4	3.2	3.1	15.6	17.0	EU
Peanuts	24.5	20.4	2.4	2.6	9.7	13.0	Greece, Turkey, Israel
Bread, rolls, cakes, cookies, waffles etc,	17.4	35.5	0.9	2.0	4.9	5.6	EU
Lemons, oranges, (fresh or dried)	358.3	144.3	6.5	1.9	1.8	1.3	Spain, Italy, Greece, Turkey
Grapes ( fresh or dried)	91.1	59.7	1.2	1.9	1.3	3.1	Greece, Italy South America
Fruit and vegetable juices and concentrates	59.0	66.0	1.3	1.6	2.2	2.5	EU
Sweets (including white ocolate) without cacao	21.0	49.3	0.4	1.3	1.9	2.7	EU
Beverages including alcohol	-	104.8	-	2.7	-	2.6	EU, CEFTA
Wine of fresh grapes	66.0	48.3	0.5	1.1	0.8	2.3	France, Italy, Hungary, Slovenia, Bulgaria, Germany

US exports show a declining tendency due to the rapid development of local production resulting, among others, from huge foreign investments in food processing and the food production sector. Out of US\$ 15,9 billion invested in 1998, US\$ 4,5 billion was invested in the food processing industry (for comparison



investments in the automobile industry amounted to US\$ 3,6 billion). A list of companies that have invested in the agri-food industry is attached as Enclosure 1.

The significant interest in this sector results from the following:

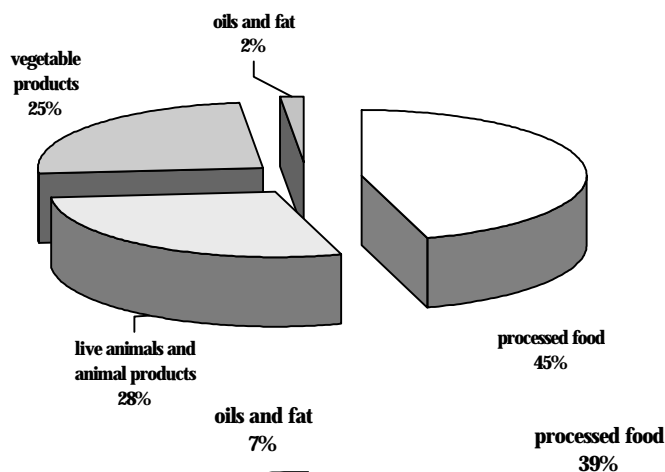
- Poland is a big market in the course of transformation, with a fast rate of growth and absorptive of new goods and organizations of trade,
- considerable opportunities for export to east European countries,
- cheap workforce,
- opportunities to take over privatized companies with a relatively low capital investment,
- customs fees and additional payments for food, higher for imports from the USA than from the European Union,
- permanent pressure on the government by farmers to limit the import of food,

The two latter factors have a crucial significance for American export opportunities.

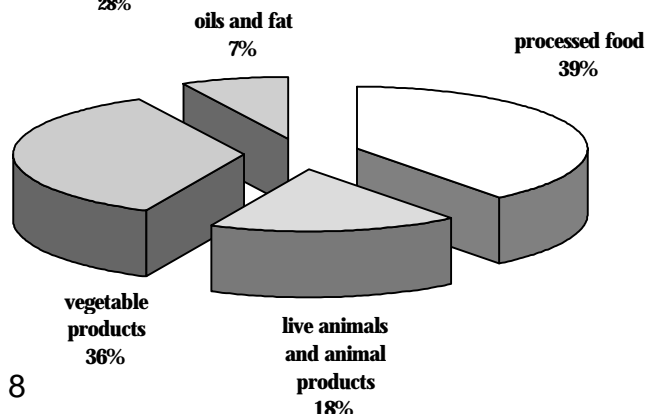
Some examples of customs fees for food products are shown in Enclosure 2.

In addition, the necessity of obtaining different types of certificate is another factor making export activities difficult. The procedure for getting such certificates is very complicated, time-consuming, and expensive. The structure of Polish export and import is shown in Figures 2 and 3:

**Figure 2. Structure of export**



**Figure 3. Structure of import**



**Advantages and Challenges facing US  
ducts in Poland**

Advantages	Challenges
<p>Population of 40 million people, Increasing number of those who can afford high quality food products</p> <p>The growing retail industry and the growing demand for more sophisticated and diversified products</p> <p>Well-experienced and increasingly reliable importers</p> <p>Opportunity for different kinds of market promotion with retailer participation,</p>	<p>Rapid development of local production (supported by foreign, and in many cases American, investments) has significantly reduced demand for imported products</p> <p>Importers, retailers, and consumers lack awareness of American brands,</p> <p>Polish consumers prefer to purchase products produced in Poland,</p> <p>Imported products are more expensive because of many certificates, high tariffs, long period of payment,</p> <p>Registration process is slow, expensive, and inefficient, Polish language labels are required, Alcohol tariffs and excise tax are very high, An import licence is necessary,</p> <p>Third country competition is significant, especially from west European countries,</p> <p>Poland is planning to join EU which will result in the same restrictions as those in other countries belonging to the Union,</p> <p>There are quotas for meat and poultry, and some other products,</p> <p>Farmers' position is very strong and they influence government policy concerning import regulations,</p>

## II. ROAD MAP FOR MARKET ENTRY

## **A. Hypermarkets, Supermarkets, Discount Shops,**

### **Entry Strategy**

Success in introducing new products in this segment of the market depends to a large extent on local representation and personal contacts. The local representative may or may not also be the importer and /or distributor, but due to the very tough conditions dictated by this type of outlet, this is a key person if the product is going to be sold there.

Here are some typical conditions that have to be fulfilled by a supplier when entering foreign retail chains:

- 1 Entry fees (amounting to tens of thousands of Polish zlotys), which are not paid back if the agreement is canceled.
- 2 30-60 day period of payment.
- 3 Considerable price discount - about 10%.
- 4 Obligatory participation in promotion activities, which are held 3-5 times a year and last for 1-3 weeks. This requires another price decrease (for about 5%).
- 5 Obligatory participation in covering the cost of advertising promoted products.
- 6 Separate fees (US\$ 250-3500) for placing each type of product on the shelf.
- 7 Fees for the „length of the shelf”.
- 8 No opportunity to influence the price level
- 9 Very strict delivery terms

### **Market structure**

- 10 Products may be imported either by an importer or a representative office who may also be a wholesaler and/or distributor.
- 11 The representative office deals only with your product, and so pays much more attention to the promotion, advertising, and marketing activities than an importer who buys many, sometimes even competitive, products.
- 12 Some supermarkets carry out direct imports
- 13 Importers are distinctly separated into dry goods, refrigerated items, fruits and vegetables, alcohol, etc.
- 14 Importers or representative offices may use nation-wide logistic organisations for the storage and distribution of imported products.

15 Importers also have their own distribution networks.

### Company Profiles

Retailer Name and Outlet Type	Sales (\$Mil)	Ownership	No. of Outlets	Location	Purchasing Agent Type
<b>1. METRO</b>	2,000	Germany			Direct, importers, wholesalers
Real, hyper	226		10	whole country	
TIP Discount, discount	123		58	whole country	
<b>2. JERONIMO</b>	655	Portugal			Direct, importers, wholesalers
<b>MARTINS</b>					
Biedronka, discount	299		374	whole country	
Jumbo, supermarket	58		2	Poznań	
<b>3. HIT, hyper</b>	341	Germany	7	Warsaw and other big towns	Direct, importers, wholesalers
<b>4. REWE</b>	271	Germany			Direct, importers, wholesalers
Billa, supermarket	115		11	Warsaw and other big towns	
Minimal, hyper	73		13	whole country	
<b>5. CASINO</b>	269	France			Direct, importers, wholesalers
Geant, hyper	269		5	Warsaw and other big towns	
<b>6. AUCHAN</b>	226	France			Direct, importers, wholesalers
Auchant, hyper	186		3	Warsaw, Gdansk	
Robert, supermarket	27		11	Warsaw	
<b>7. TENGELMANN</b>	224	Germany			Direct, importers, wholesalers
Plus Discount, discount	214		83	Southern Poland	
<b>8. AHOLD</b>		Holland			Direct, importers, wholesalers
Szalony Max, supermarket	52		17	whole Poland	
Sezam, discount	89		64	whole Poland	
Allkauf, hyper	56		2	Krakow, Tychy	
<b>9. CARREFOUR, hyper</b>	198	France	3	Krakow, Warsaw, Lodz	Direct, importers, wholesalers
<b>10. E. LECLERC, hyper</b>	146	France	4	Warsaw, Lublin, Lodz	Direct, importers, wholesalers
<b>11. PHS/SAMA, supermarket</b>	92	local	250	whole Poland	Direct, importers, wholesalers
<b>15. GLOBI, supermarket</b>	87	Belgium	21	Warsaw	Direct, importers, wholesalers
<b>16. REMA 1000, discount</b>	86	Norway	60	Warsaw	Direct, importers, wholesalers
<b>18. TESCO</b>	80	Great Britain			Direct, importers, wholesalers

Tesco	17		1	Wrocław	
Savia	63		31	Southern Poland	
<b>19. LEWIATAN KUJAWY</b>	71	local			Direct, importers, wholesalers.
Lewiatan, supermarket	2		5	Northern Poland	

It is important to note that „cash and carry” outlets are becoming more and more popular. Some of these operate only as wholesale outlets and serve only the retailers, and some also sell to individuals, but under the condition that a certain quantity of goods is purchased.

The process of developing trade marks has just commenced, and it is expected that they will be widely used by foreign and local chains.

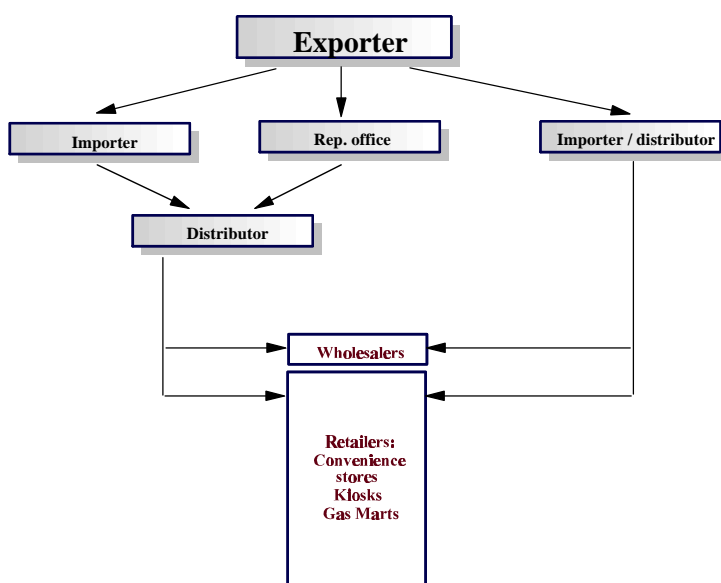
## ***B. Convenience Stores, Gas Marts, Kiosks***

### **Entry strategy**

All these types of shop operate in a similar way. There are two ways of placing new products on their shelves, depending on the type of product. Either an exporter should use a representative for direct personal contact with the shops, or shop managers supply themselves from the wholesalers who may import the products as well.

In this case goods should be available in several regional wholesale units, where smaller wholesalers and retailers collect them. They should also be delivered to the cash and carry outlets.

### **Market structure**



## Company Profiles

Apart from the gas station outlets, there are no chains of shops and each of the shops has a different owner.

The biggest share (about 70%) in gas station marts is held by the Polish company CPN. The remaining part of the market belongs to Polish Refineries Plock and Gdansk and foreign Companies (Agip, Nestle, Aral, Elf).

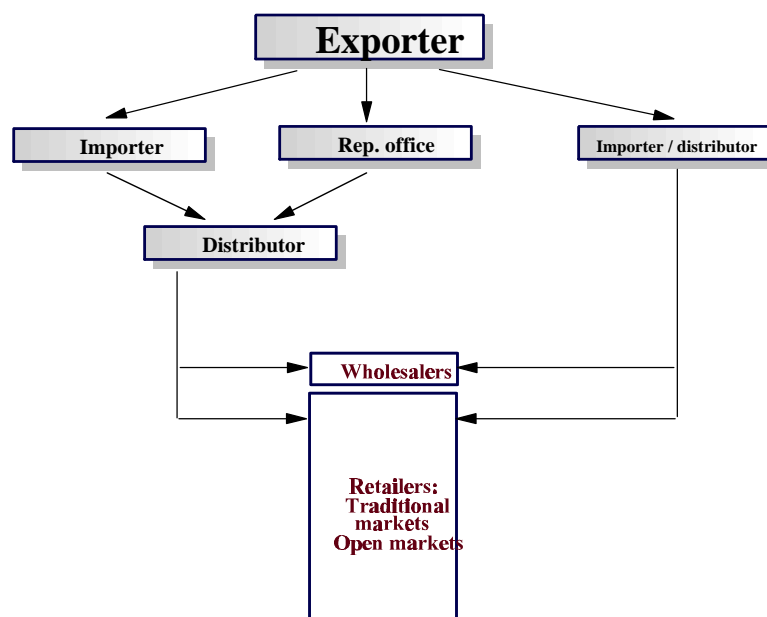
## C. Traditional markets – “Mom and Pop” small independent grocery stores and wet markets

### Entry strategy

There are two ways of placing new products in this type of shops, depending on the type of product. Either an exporter should use a representative for direct personal contact with the shops, or shop managers supply themselves from the wholesalers who may import the products as well.

In this case goods should be available in several regional wholesale units, where smaller wholesalers and retailers may collect them. They should also be delivered to the cash and carry outlets.

### Market structure



### Company Profiles

There are about 121,000 outlets that may be regarded as traditional market. Almost each of those shops has a different owner, and there are no chains of such shops. That is why there is no possibility to present any company profile.

## **III. COMPETITION**

Local production and exporters from countries belonging to the European Union mainly Germany, France, Italy, Great Britain, Spain, Finland and Netherlands (50% of total Polish import of food) are the main competitors for the American exporters. Even such “American” products as chewing gum, Coca-Cola, Pepsi-Cola, or Dunkin Donuts are produced in Poland. It should also be taken into consideration that Polish consumers show a very strong tendency to prefer Polish products to imported goods. This of course influences the shops to purchase products made in Poland. Many chains use the fact that they offer Polish goods as an advertising slogan in order to create a better image to consumers.

The most important competitors are presented in Enclosure 1.

## **IV. BEST PRODUCTS PROSPECTS**

### **A. *Products Present in the Market Which have Good Sales Potential.***

As mentioned before, the following markets have developed and will continue to grow:

- food consisting of many constituents, highly processed, convenient, and easy to cook, i.e. ready-to-cook products and semi-products, and a wide range of snacks (from crisps and sweets to salads, yoghourts, cheeses, etc.),
- food for the HRI food service sector,
- various non-alcoholic beverages, wine and beer,
- “healthy food” produced from natural agricultural products with a low level of pesticides, mineral fertilisers, and other chemicals applied for their cultivation,
- processed meat, fish, mild, and fruits and vegetables.

All these products are known to Polish consumers. The demand for them changes with different phases of development. These products will be, in most cases, produced in Poland, but imported constituents will often be used. Such a development of this sector will result in further growth of demand for the import of basic elements necessary for food production (hard wheat, processed soya, sunflower, palm oil, and juice concentrates) as well as for various additives.

### **B. *Products Not Present in Significant quantities but Which have Good Sales Potential***

This group mainly includes:

- processed vegetables, ready-to-cook dishes and snacks (excluding crisps), which, given a weak development of these sub-sectors, are rarely offered,
- “luxury” food and drinks, produced from exotic raw materials for people with the highest incomes, who consider consumption of such products as proof of their high social position,



- food constituents for special use, e.g. vegetable fat for different branches of secondary processing, sweeteners replacing sugar, protein or vitamin preparations necessary for the production of diet foods.

The market for these products is very shallow, but changes in eating habits and development of higher income classes create opportunities for rapid increase of demand.

### ***C. Products Not Present Because They Face Significant Barriers***

This group mainly consists of additives, which are not allowed in Poland, The list of such products, dyes and preservatives in particular, is very long, as Polish legislation in this respect is much stricter than in the developed countries. Information on such products is available from Panstwowy Zaklad Higieny (State Hygienic Office) and from the Ministry of Health. Integration with the European Union will allow some of those additives to be admitted for use in food production.

This group also includes constituents made from products and spices growing in other climatic zones (mainly vegetables, fruits, frutti di mare), which make the highly processed products more attractive.

## **V. POST CONTACT INFORMATION**

If you have any questions or comments regarding this report or need assistance exporting to Poland, please contact the Office of Agricultural Affairs in Warsaw at the following address:

Office of Agricultural Affairs

American Embassy

Al. Ujazdowskie 29/31

00-540 Warsaw

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ph: 4822-6213926

fax: 4822-6281172

e-mail: [agwarsaw@fas.usda.gov](mailto:agwarsaw@fas.usda.gov)

homepage: <http://www.usaemb.pl/usfas.htm>

Please contact our home page for more information on exporting U.S. food products to Poland, including “The Exporter Guide”, “The HRI Food Service Sector Report”, “The Retail Food Sector Report”, products briefs on the market potential for U.S. fruit, snack foods, ready-to-eat and health products, spices and food additives, wine and beverages and a complete listing of upcoming activities designed to promote your product in Poland. Importer lists are available from our office to exporters of U.S. food products.

For more information on exporting U.S. agricultural products to other countries please visit the Foreign Agricultural Service home page: <http://www.fas.usda.gov>.

***Enclosure 1. Foreign investors operating in agri-food sector as of the end of 1998.***

Investor	m. US\$	Investment Plans in m. US\$	Country of origin
<b>TOBACCO SECTOR</b>			
1. Philip Morris	372.0	80.0	USA

2.	Reemtsma Cigarettenfabriken GmbH	368.1	202.1	Germany
3.	Seita	120.0	-	France
4.	British American Tobacco Industries Plc	88.0	70.0	International
5.	R.J. Reynolds Tobacco Company US	70.0	-	USA
<b>Total</b>		<b>1018.1</b>		
<b>CONFECTIONERY SECTOR</b>				
1	Nestle	309.0	43.0	Switzerland
2	Cadbury's Schweppes	126.5	-	Great Britain
3	Ferrero Holding	80.0	10.0	Italy
4	Wm Wrigley Jr. Company	46.0	30.0	USA
5	Kraft Jacobs Suchard AG	30.7	39.3	International
6	Stollwerck AG	30.0	10.0	Germany
7	United Biscuits Investments	25.0	25.0	Great Britain
8	Fazer	20.4	-	Finland
9	Huhtamaki Finance BV	15.7	7.8	Holland
10	Cacao Barry	14.0	-	France
11	Indafin Srl	11.5	3.2	Italy
12	Mars Incorporated	163.0	30.0	USA
<b>Total</b>		<b>898.8</b>		
<b>BEER SECTOR</b>				
13	Harbin BV	325.9	-	Holland
14	Heineken	180.7	-	Holland
15	Carlsberg	69.7	-	Denmark
16	Brewpole Ltd.,	40.1	55.0	Australia
17	Diepensteyn NV	40.0	45.0	Belgium
18	Bitburger Brauerei GmbH	30.6	13.9	Germany
19	Ryszard Varisella	30.0	-	Germany
20	South African Breweries	25.0	40.0	RSA
21	Weissheimer Maltz	22.0	-	Germany
22	Kulczyk Investment BV	16.5	-	Holland
23	AHK GmbH	10.0	10.0	Germany
24	Binding Brauerei	5.7	15.3	Germany
25	Brau und Brunnen	1.5	-	Germany
<b>Total</b>		<b>797.7</b>		

<b>BEVERAGE SECTOR</b>				
26	Coca-Cola Beverages Plc	360.0	-	Great Britain
27	PepsiCo	283.0	380.0	USA
28	East Springs International NV	18.0	2.0	Holland
29	Gerolsteiner Brunnen GmbH & Co.	9.2	-	Germany
30	Pol-Can Intertrade	4.0	-	Canada
	<b>Total</b>	<b>680.7</b>		
<b>OIL SECTOR</b>				
31	E.B.S. Montedison	53.8	40.0	Italy
32	Schooner Capital Corporation/ White Eagle Industries	80.0	50.0	USA
	<b>Total</b>	<b>133.8</b>		
<b>FODDER SECTOR</b>				
33	Cargill Inc.	60.0	-	USA
34	Provimi Holding BV	58.0	-	Holland
35	Land O'Lakes Inc.	4.5	-	USA
36	Dossche	3.5	-	Belgium
	<b>Total</b>	<b>116.0</b>		
<b>DAIRY SECTOR</b>				
37	Schoeller	43.0	-	Germany
38	Raisio Group	18.5	-	Finland
39	Hochland	17.4	7.0	Germany
40	Golden Vale plc. Charleville, Co.Cork	7.0	-	Ireland
41	BSN Gervais Danone	5.0	-	France
42	Nutricia	5.0	-	Holland
43	Molky	3.1	-	Switzerland
44	Snell	2.5	4.0	France
45	Edward Mazur	2.0	-	USA
46	Indian Food Company	1.7	-	USA
47	Corey Durling	1.5	-	USA
48	Polish Cheese	1.5	10	USA
	<b>Total</b>	<b>113.4</b>		
<b>SUGAR SECTOR</b>				
49	British Sugar	41.0	200	Great Britain
50	Pfeifer und Langen	40.6	-	Germany
51	Sudzucker Gruppe	21.0	-	Germany
52	Danisco	3.5	-	Denmark
	<b>Total</b>	<b>106.1</b>		
<b>POTATO SECTOR</b>				
53	McCain Foods	54.0	-	Canada
54	Farm Frites Beheer BV	38.0	-	Holland
55	Basic American Foods	2.8	-	USA
	<b>Total</b>	<b>94.8</b>		
<b>MEAT SECTOR</b>				

56	Campofrio Alimentacion	35.0	-	Spain
57	Globe Meat Technology A/S	31.8	-	Denmark
58	EFHA Werke Fleischwarenfabrik	5.9	8.5	Germany
59	Continental Grain Company	4.8	-	USA
60	Hudsch Foods Inc.	4.0	-	USA
<b>Total</b>		<b>84.6</b>		
<b>FRUIT AND VEGETABLE SECTOR</b>				
61	Gerber Finance Company	29.9	-	USA
62	Orkla Foods A.S.	13.8	-	Norway
63	Eckes-Granini Int	11.4	-	Germany
64	Allione Industria Alimentare	10.0	4.0	Italy
65	Conserve Italia	7.0	7.0	Italy
66	Wild	4.3	-	Germany
<b>Total</b>		<b>77.6</b>		
<b>FOOD CONCENTRATE SECTOR</b>				
67	Bestfoods	36.0	8.0	USA
68	Dr Oetker	12.0		Germany
69	Kruger GmbH	11.2	-	Germany
70	H.J. Heinz Company	6.0	5.0	USA
<b>Total</b>		<b>65.2</b>		
<b>COFFEE PRODUCTION</b>				
71	Tchibo	42.0	-	Germany
72	Union Cafe Confectionery Group BV	12.7	-	Holland
73	Drie Mollen Holding BV	2.9	-	Holland
<b>Total</b>		<b>57.6</b>		
<b>SALTED SNACK PRODUCTION</b>				
74	Bahlsen	16.8	11.0	Germany
75	Intersnack Knabber Gebaeck GmbH	15.0	15.0	Germany
<b>Total</b>		<b>31.8</b>		
<b>CEREAL SECTOR</b>				
76	Michel Marbot	10.0	-	France
77	Bering Netherlands Company	7.5	6.0	Holland
78	Schulstad brod A/S	1.6	3.0	Denmark
<b>Total</b>		<b>20.6</b>		
<b>ALCOHOLIC BEVERAGE PRODUCTION</b>				
79	Sektellerei Schloss Wachenheim AG	3.8	-	Germany
80	Allied Domecq Spirits and Wine (Europe)BV	1.0	-	Holland
<b>Total</b>		<b>4.8</b>		
<b>FISH PROCESSING</b>				
81	Lisner	2.0	1.0	Germany
<b>Total</b>		<b>2.0</b>		

*Enclosure 2. Some examples of customs tariffs*

Description of goods	Tariffs for US Imports	Tariffs for UE Imports	Tariffs for CEFTA Imports	Excise tax
Processed meats	111.7%	40%	15.0%	
Frozen pork meat	83.3%	83.3%	25.0%	
Frozen beef meat	25.0%	20.8%	20.8%	
Frozen fish	5.0-25.0%	0%	0%	
Shellfish	30.0%	0%	0%	
Milk	111.07%	40%	20-30%	
Yogurt	175.0%	25%	20%	
Cheese	175.0%	25.0	5.0-8.0%	
Olives, maize	10.0	10.0	0.0-5.0%	
Frozen and dried vegetables	70.0%	20.0%	0%	
Nuts	11.7%	4.7%	0%	
Bananas	55.8%	10.0%	0%	
Dates, pineapples, avocado, mango, fresh or dried	10.0%	2.3%	0%	
Oranges, lemons, mandarins, fresh or dried	10.0	2.3%	0%	
Tea, coffee	15.8%	15.8%	0%	
Herbs and spices	20.8%	20.0	0%	
Rice	10.5%	10.0	0%	
Sweets, chewing gum	40.8%	8.0	12%	25%
Soups	35.0%	25.0%	4.0%	
Champaign , wines	52.5%	20.0	20.0%	Depends on spirit contents
Brandy, cognac, gin, liqueurs	293.3%	75.0%	75.0%	Depends on spirit contents
Beer	41.7%	6.0%	6.0%	Depends on alcohol contents
Mineral water	27.5%	20.0	0%	
Chocolate	60.0%	15.0%	12.0%	